

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**ORDER ON MOTION FOR AN ORDER ESTABLISHING STREAMLINED  
PROCEDURES GOVERNING ADVERSARY PROCEEDINGS BROUGHT BY  
THE DEBTORS PURSUANT TO SECTIONS 502, 547, 548 AND 550 OF THE  
BANKRUPTCY CODE**

Upon the *Motion for an Order Establishing Streamlined Procedures Governing Adversary Proceedings Brought by the Debtors Pursuant to Sections 502, 547, 548 and 550 of the Bankruptcy Code*, dated November 15, 2019 (the “**Motion**”),<sup>2</sup> filed by Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” or “**Plaintiff**”) by and through its undersigned counsel, for entry of a procedures order (the “**Procedures Order**”) establishing streamlined procedures governing the

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the same meaning ascribed to them as in the Procedures Motion.

adversary proceedings brought by the Debtors pursuant to Sections 502, 547, 548, and 550 of the Bankruptcy Code identified in **Exhibit 1** annexed hereto (each an “**Avoidance Action**,” collectively, the “**Avoidance Actions**”); and the Court having jurisdiction to consider and determine the Motion as a core proceeding in accordance with 28 U.S.C. §§ 157(a)-(b) and 1334(b) and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion and the opportunity for a hearing thereon having been provided in accordance with the Amended Order Implementing Certain Notice and Case Management Procedures, dated November 1, 2018 (D.I. No. 405), including, as represented by counsel for the Debtors, the parties to the Avoidance Actions; and it appearing that no other or further notice need be provided; and the only objection to the Motion having been withdraw; and the Court having determined that no hearing on the Motion is required; and, after due deliberation the Court having determined that the legal and factual bases set forth in the Motion establish good and sufficient cause for the relief granted herein and that such relief is in the best interests of the Debtors, their estates, their creditors and all parties in interest in that it will facilitate the prompt, economical and fair determination and resolution of the Avoidance Actions; now, therefore,

**IT IS HEREBY ORDERED THAT:**

1. The Motion granted as provided herein.
2. All parties to the Avoidance Actions shall be governed by the procedures attached hereto as **Exhibit 2** (the “**Avoidance Action Procedures**”) and incorporated herein by reference, which Avoidance Action Procedures are hereby approved and shall govern the Avoidance Actions, effective as of the date of this Order.
3. The time periods set forth in this Order and the Avoidance Action Procedures shall

be calculated in accordance with Bankruptcy Rule 9006(a).

4. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

5. This Order shall be effective immediately upon its entry.

Dated: December 20, 2019  
White Plains, New York

/s/ Robert D. Drain  
THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit 1**  
**CASE LIST**

<b>Defendant Name</b>	<b>Adversary Number</b>
3P Industries LLC	19-08301
4207602 Canada Inc dba Cameo Socks	19-08302
7Up RC Bottling Co. of Southern California, Inc.	19-08606
A.G. & G. Inc. dba Vieste Creations	19-08303
AAA Pharmaceutical, Inc.	19-08304
ABARTA Coca-Cola Beverages, LLC fdba ABARTA Coca-Cola Beverages, Inc.	19-08305
Abdul Kareem Kabba dba Worldwide Sneakers aka Unlocked Sneakers	19-08461
ACF Group LLC	19-08426
Ad Art Company	19-08556
Advanced Project Solutions, LLP	19-08311
Advanced Resources	19-08498
Ahold Financial Services LLC	19-08641
A-Ipower Corporation	19-08642
Air Temp Mechanical, Inc.	19-08312
Albaad USA, Inc.	19-08314
All in One PR Multiservices	19-08316
Alliance Comfort Systems Inc.	19-08318
Altman Specialty Plants, Inc.	19-08604
AMCOL Health & Beauty Solutions, Incorporated	19-08321
American Cleaning Supply Inc.	19-08582
American Color Inc.	19-08559
American De Rosa Lamparts LLC	19-08557
American Gasket Technologies Inc.	19-08653
American Plush Textile Mills, LLC	19-08323
Americlean Janitorial Service Corp dba Allied National Services	19-08324
Anchor Hocking, LLC fdba Anchor Acquisition, LLC	19-08325
Ancra International LLC	19-08327
Archer Air Conditioning Service Company	19-08329
Arizona Republic Phoenix Gazette, a/k/a The Arizona Republic, a/k/a AZCentral.com, a/k/a Gannett Company, Inc.	19-08681
Arkanoff Painting Inc.	19-08331
Armouth International Inc.	19-08333

Attends Healthcare Products Inc.	19-08499
Avangard Innovative LP	19-08336
B & B Electric Inc.	19-08500
BCI Technologies Inc.	19-08501
Beauty 21 Cosmetics, Inc.	19-08338
Belco Distributors DbA Belco Industries	19-08682
Belkin International Inc.	19-08605
Berkshire Hathaway Inc. dba Roanoke Times	19-08341
Bernadine J. Eachus	19-08344
Bicycle Doctor of Broward, Inc.	19-08346
Blast Analytics & Marketing, Inc.	19-08349
Block Communications, Inc. dba Pittsburgh Post-Gazette	19-08453
Blue Dog Bakery Group, Inc.	19-08366
Blue Wave Products, Inc.	19-08465
Boyd Flotation Inc.	19-08676
Bravado International Group Merchandising Services Inc.	19-08367
Breezeware	19-08502
Brightview Landscapes, LLC	19-08369
Brisas Del Caribe Corp.	19-08607
Bristol Environmental, Inc.	19-08370
Britelite Enterprises Inc.	19-08602
Brookfield Equinox LLC	19-08373
Building Systems and Services, Inc.	19-08376
Bully Tools Inc.	19-08677
C & V Liquidation Inc.	19-08560
Cal Pure Produce Inc. dba Cal Pure Pistachios Inc.	19-08380
Calidad Auto Tech Inc.	19-08561
Callcap, LLC	19-08608
Camco Manufacturing Inc.	19-08609
Campbell Sales Company	19-08654
Canon Solutions America Inc.	19-08503
CCP Newco LLC	19-08610
CDM Witchduck Associates LLC	19-08643
Cellini LLC	19-08590
Centrescapes Inc.	19-08655
Centro Inc.	19-08562
Channellock, Inc.	19-08467
Char-Broil, LLC	19-08644
Chinex Apparel Inc.	19-08563

Cliffstar LLC	19-08558
CMC Mechanical LLC	19-08383
Coloron Jewelry, Inc.	19-08385
Commercial Plumbing Inc.	19-08709
Concept One Accessories	19-08504
ConstructConnect, Inc. fdba Construction Market Data Group LLC	19-08389
Crius Construction LLC	19-08656
Cryopak Industries (2007) ULC	19-08395
CS Group Inc.	19-08611
CTM Enterprises Inc.	19-08564
Cudlie Accessories LLC	19-08400
Curvature LLC	19-08565
Custom Lawn Service Inc.	19-08505
Cycle Force Group LLC	19-08591
D V International Inc.	19-08506
Daily Press Inc	19-08566
Dallessio Group, Inc.	19-08402
Damao Luggage International Inc.	19-08404
DAS, LLC	19-08406
Data Print Technologies, Inc.	19-08413
David Lynn Meyer	19-08416
DBK Concepts Inc.	19-08507
Detergent 2.0 LLC	19-08583
Developlus, Inc.	19-08417
DeVore Lighting, Inc. dba De Vore Industries Inc.	19-08421
Dicarlo Distributing Inc.	19-08508
Diversified Global Technologies LLC	19-08612
DocuSign, Inc.	19-08422
Doggie Nation, Incorporated	19-08354
Dominion Mechanical Contractors, Inc.	19-08356
Dorman Products Inc.	19-08613
Doskocil Mfg. Company Db a Petmate	19-08584
Dover Grease Trap Inc.	19-08567
DP Media Network LLC	19-08358
Duraflame Inc	19-08614
E.J.D. Enterprises, Inc. dba Empire Distributors	19-08360
Easy Gardener Products, Inc.	19-08363
El Vocero De Puerto Rico, a/k/a Publi-Inversiones Puerto Rico Inc.	19-08683
Elevate, LLC	19-08365

eMarketer Inc.	19-08374
Embarcadero Technologies, Inc.	19-08378
Energizer LLC Dba Handstands	19-08509
Envirocon Technologies, Inc.	19-08382
European Home Designs LLC	19-08568
Everest Group USA Inc.	19-08603
Ex-Cell Home Fashions, Inc.	19-08387
Express Services Inc.	19-08657
Extreme Reach Inc.	19-08510
Facilities Solutions LLC	19-08615
Fashion Accents LLC	19-08511
Fashion Accessory Bazaar LLC	19-08391
Fayetteville Observer, LLC	19-08684
FCL Graphics Inc.	19-08585
Fidelitone Inc.	19-08592
Fiesta Jewelry Corporation	19-08512
Final Touch Delivery Service Inc.	19-08711
Fisher & Zucker LLC	19-08394
Fiskars Brands, Inc.	19-08398
FlexPrint, LLC	19-08403
Fluke Electronics Corporation	19-08405
Folsom Services, Inc.	19-08407
Forman Industries, Inc. dba FI Companies	19-08409
Founding Fathers Products LLC	19-08513
Fragomen, Del Rey, Bernsen & Loewy, LLP	19-08411
Fresno Bee, a/k/a McClatchy Newspapers, Inc.	19-08685
Funderburk Roofing Inc.	19-08514
Gage Roofing & Constructors, Inc.	19-08414
Garland Sales, Inc.	19-08419
Gatehouse Media, LLC dba Columbus Dispatch	19-08424
Gatehouse Media, LLC dba Daily Oklahoman	19-08427
General Fire Equipment Company, Inc.	19-08429
GOJO Industries, Inc.	19-08430
Golf Gifts & Gallery, Inc.	19-08431
Gossi Inc.	19-08515
Grace and Son Construction Company of Greenville, Inc.	19-08432
Great Lakes Technologies LLC	19-08593
Green Room Productions, Inc.	19-08433
Gretchen International Inc.	19-08494

Groupe SEB USA, Inc.	19-08695
Gruspi Consulting Inc.	19-08516
Guardian Drug Company, Inc.	19-08437
Hale Trailer Brake & Wheel, Inc.	19-08439
Handcraft Mfg. Corp.	19-08658
Harmony Enterprises Inc.	19-08569
Hawaiian Host, Inc. dba Hawaiian Host Chocolates Inc.	19-08443
Healthtex Caribbean LLC	19-08445
Hearst Communications, Inc. dba San Antonio Express News	19-08449
Heritage Travelware, Ltd.	19-08451
Hi Tech Pharmaceuticals Inc.	19-08570
Hilo Hearing Aid Center Inc.	19-08571
Hines Growers Inc.	19-08572
Hi-Tech Air Conditioning Service, Inc.	19-08457
Holmberg Farms, Inc.	19-08459
HoneyTree, Inc.	19-08462
HR Management Group, Inc.	19-08464
Hypard Trading Corp.	19-08645
IDM, Inc.	19-08466
I-Health, Inc.	19-08468
Impo International LLC	19-08616
Infomercials, Inc.	19-08487
Innova Products Inc.	19-08495
Inter County Mechanical Corp.	19-08573
International Home Miami Corp.	19-08594
Interstate Trailer Sales Inc.	19-08574
ITS Partners LLC	19-08488
J. Carol Consulting, LLC	19-08489
J.P. Morgan Chase Commercial Mortgage Securities Corp. dba JPMCC	19-08496
Jazwares, LLC	19-08490
Johnson United, Inc. dba United Sign Systems	19-08491
Jones Naturals LLC	19-08575
June A. Grothe Construction, Inc. dba J G Construction	19-08492
JVC Americas Corp. dba JVC Company of America	19-08497
JVCKENWOOD USA Corporation	19-08493
K7 Design Group Inc.	19-08517
Kahena Digital Marketing Ltd. dba JVP Media Quarter	19-08306
Killer Bee Inc.	19-08659
Knox Fertilizer Company Inc.	19-08617



Kramer Laboratories Inc.	19-08618
KSF Acquisition Corporation	19-08307
La Crosse Brush Inc.	19-08646
Landmark Community Newspapers, LLC	19-08619
Larsen Products Inc.	19-08660
Leadgenius	19-08518
Leisure Products Inc.	19-08696
Liaison Technologies, Inc.	19-08308
Life Wear Technologies	19-08519
Lil Anglers LLC	19-08520
Limbach Company LLC	19-08309
Linbit USA LLC	19-08576
M & K Distributors, Inc.	19-08310
M&S Accessory Network Corp.	19-08313
Manhattan Beer Distributors LLC	19-08577
Manifold, LLC	19-08315
Markwins Beauty Products Inc.	19-08521
Mars Puerto Rico, Inc. fdba Wrigley Puerto Rico, Inc.	19-08317
Masterpieces Puzzle Co., Inc.	19-08319
Matosantos Commercial Corp	19-08620
MaxColor, LLC	19-08578
Maxell Corporation of America	19-08320
MC Builders, LLC	19-08322
MCI Communications Services, Inc. dba MCI Comm. Service	19-08326
Mckinney Trailer Rentals	19-08522
Medal Sports (USA), LLC	19-08397
MediaNews Group, Inc. dba The Mercury News fka San Jose Mercury News	19-08328
MEFL LLC	19-08661
Miami Herald Media Company	19-08621
Micro World Corporation Dbarska	19-08622
Mid America Tile Inc.	19-08662
Mister D S Construction Inc.	19-08623
Mr Hawaii Inc.	19-08523
MSM Outdoor, LLC	19-08330
Multipet International Inc.	19-08524
Multiple Solutions Inc.	19-08525
Nakoma Products LLC	19-08579
Naterra International Inc.	19-08586
Navigant Consulting, Inc.	19-08332

Netsuite Inc.	19-08334
News Times, a/k/a Phoenix News Times	19-08686
Newsday LLC fdba Newsday Inc.	19-08335
NIN Group, Inc.	19-08337
Nine West Holdings, Inc. dba NWH Jewelry Group	19-08339
Northern International Inc. dba NII	19-08340
Nova Wildcat Bulldog, LLC dba Bulldog Hardware	19-08342
Nw Springs Holdings LLC	19-08647
One Step Up Ltd.	19-08587
Onyx Corporation	19-08343
OpenText Corporation	19-08345
Orlando Sentinel, a/k/a Sentinel Communications News Ventures Inc., a/k/a Orlando Sentinell Media Group, a/k/a Sentinel Publishing	19-08687
O'Shea Inc.	19-08595
Ottaway Newspapers Inc.	19-08663
Outdoor Cap Co., Inc.	19-08347
Pacific Charlie Co. Inc.	19-08588
Pacific Imports Inc.	19-08648
Pacific Market International LLC	19-08526
Packsize LLC	19-08527
Paradigm Fitness Equipment Inc.	19-08596
Park Greenhouse	19-08528
Perfect Fit Industries, LLC	19-08348
Pet Partners Inc.	19-08529
Picnic Time Inc.	19-08649
Pineae Greenhouses Inc.	19-08580
PlayMonster LLC	19-08350
Pocket Shot LLC	19-08530
Post Gardens of Battle Creek, Inc.	19-08351
Preferred Display, Inc.	19-08352
Premier Horticulture Inc.	19-08353
Prestone Products Corporation	19-08531
Promika, LLC	19-08355
Providence Products LLC	19-08597
Push Digital, LLC	19-08357
Q.E.P. Co., Inc.	19-08401
Qcoefficient Inc.	19-08532
R E Daigle & Son Electrical, Inc.	19-08688
Razor USA LLC	19-08359
Redwood Ventures, LLC	19-08361

Reedy Maintenance and Repairs LLC	19-08624
Rely Services Inc.	19-08664
Renzo Excavating LLC	19-08533
REP Consulting Inc.	19-08581
Repair Palace Inc. DbA Atwood Jewelers	19-08689
Retail Contracting Service, Inc.	19-08364
Reuter & Hanney, Inc.; and CE Power Engineered Services, LLC	19-08368
Rhode Island Textile Company	19-08371
Richards, Layton & Finger, P.A.	19-08372
Ricoh Production Print Solutions	19-08534
Ricoh USA, Inc. fka Ricoh Americas Corporation	19-08375
Robert Half International Inc. dba Robert Half Legal	19-08377
Robert J. Clancey, Ltd.	19-08379
Rolling & Sliding Doors Of Dayton Ltd.	19-08535
Romy's Plumbing Inc. dba AA Plumbing	19-08381
Royal Animals Ltd.	19-08625
RTA Products, LLC	19-08384
Rugs America Corporation	19-08536
Rushmore Photo & Gifts Inc.	19-08665
Ruyi Design & Manufacture Inc.	19-08537
Sakutori Designs LLC	19-08666
Salland Industries, Limited	19-08386
San Diego Union Tribune LLC	19-08626
Sandy Inc.	19-08388
Scott Shoe Co. Ltd.	19-08589
SCS Direct, Inc.	19-08390
Securitas Security Services Inc.	19-08667
Security Fire Protection Co. Inc.	19-08668
Segerdahl Corporation	19-08538
Service Solutions, LLC	19-08392
Shaker Hill Landscape & Nursery Co.	19-08539
Shalom International Corp.	19-08627
Shutterstock Inc.	19-08628
Sidecar Interactive Inc.	19-08629
Sign Outlet, Inc.	19-08630
Signode Industrial Group LLC dba Multi-Wall Packaging	19-08393
Six Nines IT LLC	19-08669
Skagit Horticulture LLC	19-08396
Slince Inc.	19-08631

Smith & Vandiver Corp.	19-08540
Softeon Inc.	19-08541
South / Win, LLC	19-08362
Southern Atlantic Electric Co. Inc.	19-08670
Southern Technologies, LLC	19-08480
Space Center Mira Loma Inc.	19-08650
Specialty Roofing, LLC	19-08399
Sprinklr Inc.	19-08542
SSB Manufacturing Company fdba Simmons Bedding Company	19-08481
St Petersburg Times, a/k/a Tampa Bay Times	19-08701
Stauffer Family LLC	19-08543
Steven Rockwell Sanders, LLC dba S R Sanders LLC	19-08408
Stork Craft Mfg. (USA) Inc.	19-08678
Sun Sentinel, a/k/a Sun-Sentinel Company Inc; a/k/a News & Sun Sentinel Company, a/k/a sun-sentinel.com, a/k/a Tribune Publishing Company	19-08690
Sunnest Service, LLC	19-08482
Sunny Distributor Inc.	19-08598
Supplylogix LLC	19-08410
Swatow Puerto Rico Corporation	19-08483
TCA Holdings Propartners, L.L.C.	19-08412
The American Bottling Company fdba Mr. Natural Inc.	19-08415
The Greystone Tea Company Inc	19-08418
The Hartford Courant Company, LLC	19-08420
The Journal News, a/k/a LoHud.com, a/k/a Gannett Company, Inc.	19-08691
The Lane Construction Co., Inc.	19-08423
The Madden Corporation	19-08425
The McClatchy Company dba Star Telegram	19-08428
The News and Observer Publishing Company	19-08544
Tiger Capital Group LLC	19-08671
TJD Holdings Inc.	19-08545
TL Perez Residential Services	19-08692
TMM Investments Ltd.	19-08599
TNP Sites LLC	19-08600
Toll Global Forwarding SCS (USA) Inc. fdba FMI Inc.	19-08434
Top of the World, LLC	19-08435
Tori Richard, Ltd.	19-08436
Tory's Roofing & Waterproofing Inc.	19-08632
TouchPoint 360, LLC	19-08438
Transporte Bairoa Inc.	19-08546

Travel Caddy, Inc.	19-08440
Triangle Fire Protection Inc.	19-08633
Triangle Systems, Inc.	19-08441
Tribune Publishing Company, LLC dba Baltimore Sun	19-08442
Tribune Publishing Company, LLC dba The Morning Call	19-08444
Triple E Partners LLC	19-08672
Troutman Sanders LLP	19-08446
Twin Lakes Landscaping, Inc.	19-08447
Umarex USA Inc.	19-08634
United Plant Growers, Inc.	19-08448
Unitex Incorporated	19-08484
Universal Apparel Inc.	19-08450
Universal Building Services dba UBS	19-08452
Universal Enterprises Inc.	19-08601
Universal Service Agency LLC	19-08454
US Neighbors Construction Inc.	19-08455
Valley View Industries, H.C., Inc.	19-08456
Value Smart Products Inc.	19-08635
Vanderbilt Home Products LLC	19-08547
Vazquez Polar Air Conditioner Corp.	19-08636
Ven Soft LLC	19-08458
Vento Distributors Corp.	19-08460
Verus Products, Inc. dba Verus Sports, Inc.	19-08463
VFP Fire Systems, a/k/a VFP Fire Systems Inc.	19-08693
Virginian Pilot, a/k/a Virginian-Pilot Media Companies LLC, a/k/a Tribune Publishing Company	19-08694
Visser Greenhouses Inc.	19-08548
Vogue LLC dba Vogue International LLC	19-08469
W E Bassett Company	19-08549
W. J. Griffin, Inc.	19-08470
Walsh Media Inc.	19-08550
Warren Business Services Inc	19-08471
Washington Prime Group LP	19-08679
Weathervane Service, Inc.	19-08472
West Chester Holdings, LLC	19-08473
Weveel LLC	19-08673
White Mark Universal Inc.	19-08485
Whitemak Associates, a/k/a Whitehall Mall	19-08697
Whitmore, Inc.	19-08474
Whynter, LLC	19-08486

Wick Communications Company	19-08551
Wilhelmina West Inc.	19-08637
Wilmar Corporation	19-08638
Wipfli LLP	19-08475
WJCA, Inc.	19-08476
Woeber Mustard Manufacturing Co.	19-08674
Wolters Kluwer ELM Solutions, Inc. dba Tymetrix Inc.	19-08477
Wolters Kluwer Health, Inc.	19-08478
Wolters Kluwer United States Inc. dba CT Corporation Systems	19-08479
Wolverton Inc.	19-08675
WTS Contracting Corp.	19-08639
Yamada Transfer Inc.	19-08651
YM Trading Inc.	19-08552
Yost Vises LLC	19-08680
Yoyo Lip Gloss Inc.	19-08553
Yunker Industries Inc.	19-08640

\* 397 Adversary Proceedings

**Exhibit 2**

**AVOIDANCE ACTION PROCEDURES**

**A. Effectiveness of the Procedures Order**

1. This Procedures Order approving the procedures Motion shall apply to all Defendants in the Avoidance Actions listed on **Exhibit 1** attached hereto.
2. The Procedures Order will not alter, affect or modify the rights of Defendants to seek a jury trial in or withdrawal of the reference of, Avoidance Actions or otherwise to move for a determination on whether the Court has authority to enter a final judgment, or make a report and recommendation, in an Avoidance Action under 28 U.S.C. § 157, and all such rights shall be preserved unless otherwise agreed to in a responsive pleading consistent with the Bankruptcy Rules and Local Bankruptcy Rules.

**B. Extensions to Answer or File Other Responsive Pleading to the Complaint**

3. The time to file an answer or other responsive pleading to a complaint filed in an Avoidance Action shall be extended by 30 days such that an answer or other responsive pleading is due within 60 days after the issuance of the summons.

**C. Waiver of Requirement to Conduct Pretrial Conference**

4. Federal Rule of Civil Procedure 16, made applicable to the Avoidance Actions pursuant to Bankruptcy Rule 7016 (*i.e.*, pretrial conferences), is hereby waived and not applicable with respect to the Avoidance Actions. Neither the Plaintiff nor any Defendant shall be required to appear at any initial pretrial conference, including any initial pretrial conference originally scheduled pursuant to Local Rule 7016-2.

**D. Waiver of Requirement to Conduct Scheduling Conference**

5. Federal Rule of Civil Procedure 26(f), made applicable to the Avoidance Actions pursuant to Bankruptcy Rule 7026 (mandatory meeting before scheduling conference/discovery plan), is hereby waived and is not applicable to the Avoidance Actions. Thus, the parties to the Avoidance Actions shall not be required to submit a written report as may otherwise be required under Federal Rule of Civil Procedure 26(f).

**E. Discovery, Mediation, and Dispositive Motion Schedule**

6. All discovery in each Avoidance Action is hereby stayed until the mediation process set forth below (the “**Mediation Process**”) is concluded; provided that the stay of formal discovery shall in no way preclude, with respect to any Avoidance Action, the Plaintiff and applicable Defendant from informally exchanging documents and information in an attempt to resolve such Avoidance Action in advance of, or during, the Mediation Process.

7. Any open Avoidance Actions that have not been resolved and/or settled by February 28, 2020 (the “**Remaining Avoidance Actions**”), shall be referred to mandatory mediation and the Mediation Process in paragraphs 8-13.
8. Between March 1, 2020 and March 15, 2020, Defendants in the Remaining Avoidance Actions shall choose a mediator from the list of proposed mediators (each a “**Mediator**,” collectively, the “**Mediators**”) (the “**Mediator List**”) attached hereto as **Exhibit 3**. Concurrently, Defendants in the Remaining Avoidance Actions shall notify Plaintiff’s counsel of the Defendant’s choice of Mediator by contacting: (i) if Plaintiff is represented by ASK LLP, Laurie N. Miskowiec, in writing, via email at **lmiskowiec@askllp.com** or via letter correspondence addressed to ASK LLP, 2600 Eagan Woods Drive, Suite 400, St. Paul, MN 55121, or (ii) if Plaintiff is represented by Katten Muchin Rosenman LLP (“**Katten**”), Anthony Wong, in writing, via email at **anthony.wong@katten.com** or via letter correspondence addressed to Katten Muchin Rosenman LLP, 575 Madison Avenue, New York, NY 10022. If a Defendant in a Remaining Avoidance Action does not timely choose a Mediator from the Mediator List and notify Plaintiff’s counsel of the same, Plaintiff will assign such Remaining Avoidance Action to one of the Mediators from the Mediator List.
9. Upon notification of such selection or assignment, the selected Mediator shall have an opportunity to determine whether he/she has any conflicts with the Defendant(s) and, in the event of a conflict, may abstain from acting in the particular mediation. If the selected Mediator abstains, Defendant will be given another 15 days to select an alternate Mediator as described in paragraph 8 above.
10. Upon the selection of Mediators, Plaintiff, working with the Mediators, will commence scheduling mediations. Each Mediator will provide to Plaintiff the dates on which the Mediator is available for mediation and the parties shall cooperate with the Mediators and each other regarding the scheduling of mediations. Plaintiff’s counsel shall contact Defendant or Defendant’s counsel with a list of proposed dates for mediation provided by the Mediator. Mediation will then be scheduled on a first-come, first-served basis.
11. Plaintiff will give at least 21 days’ written notice of the first date, time and place of the mediation in each Remaining Avoidance Action (the “**Mediation Notice**”), which notice shall be served on the applicable Defendant.
12. Within 7 calendar days after the conclusion of the mediation, the Mediator shall file a report (the “**Mediator’s Report**”) pursuant to General Order M-452 in the Remaining Avoidance Action, which shall be limited to stating only a) compliance or non-compliance with the General Order and b) whether the Remaining Avoidance Action settled or did not settle.
13. The Mediation Process with respect to all of the Remaining Avoidance Actions must be concluded by June 30, 2020.



14. Any open Avoidance Actions shall be required to provide the disclosures required under Rule 7026(a)(1) (the “**Initial Disclosures**”) on or before July 31, 2020.
15. All written interrogatories, document requests and requests for admission, if any, may be served upon the adverse party any time after the Mediator’s Report is filed. All written interrogatories, document requests and requests for admission, if any, must be served no later than August 28, 2020.
16. The parties to the Avoidance Actions shall have through and including November 15, 2020 to complete non-expert fact discovery, including depositions of fact witnesses.
17. Unless the parties agree to a broader scope of discovery, absent further order of the Court upon a showing of good cause, discovery will be limited solely and specifically to nonprivileged matters (i) that are properly discoverable under the Bankruptcy Rules and (ii) relate solely to the Avoidance Actions.
18. Federal Rule of Civil Procedure 33, made applicable herein pursuant to Bankruptcy Rule 7033, shall apply to the Avoidance Actions.
19. Federal Rule of Civil Procedure 34, made applicable herein pursuant to Bankruptcy Rule 7034, shall apply to the Avoidance Actions.
20. Federal Rule of Civil Procedure 36, made applicable herein pursuant to Bankruptcy Rule 7036, shall apply to the Avoidance Actions.
21. Should a discovery dispute arise, the parties’ counsel shall promptly confer to attempt in good faith to resolve the dispute. If, notwithstanding their good faith efforts to do so, they are unable to resolve a discovery dispute, the complainant shall file with the Court and email to the Court’s chambers, copying counsel for the opponent, a letter outlining said issues. Respondent must reply within two (2) business days by filing a letter on the docket with a copy emailed to the Court’s chambers, copying counsel for the opponent. Such letter, excluding exhibits, shall be no longer than two (2) pages. The Court shall then inform the parties if it will require a conference call or formal motion. At any ensuing conference or hearing on a motion, the Court will ask the parties about their prior efforts to resolve the dispute.
22. Pursuant to Federal Rule of Civil Procedure 26(a)(2), made applicable herein pursuant to Bankruptcy Rule 7026, disclosures and reports (a) concerning any issue on which a party bears the burden of proof (not including any report by Plaintiff on insolvency) and (b) if Defendant intends to provide expert testimony regarding insolvency of the Debtors, such report, if any, shall be made to the Plaintiff on or before December 29, 2020.
23. Federal Rule of Civil Procedure 26(a)(2), made applicable herein pursuant to Bankruptcy Rule 7026, disclosures and reports (a) of the parties’ rebuttal experts,

and (b) Plaintiff's report on the insolvency of the Debtors, if any, shall be made to the adverse party on or before February 21, 2021.

24. All expert discovery, including expert witness depositions, shall be concluded on or before March 31, 2021.
25. The standard provisions of Federal Rule of Civil Procedure 26(e), made applicable herein pursuant to Bankruptcy Rule 7026, shall apply to the Avoidance Actions with respect to supplementation of discovery responses.
26. Either or both parties may seek leave under Local Bankruptcy Rule 7056 by email to the Court, with a copy to the counsel for the opposing party; provided, that all dispositive motions shall be filed and served at any time after the Mediation Process but before April 30, 2021. In the normal course, the Court will not permit the filing and pursuit of a summary judgment motion before the completion of discovery. Notwithstanding Local Bankruptcy Rule 7005-1, the party filing or opposing such dispositive motion shall be allowed to introduce such exhibits as needed to meet its burden of proof or rebut such burden.

#### **F. Mediation Procedures and Requirements**

27. Mediations shall take place in New York, New York, except as otherwise agreed to by the parties and the Mediator. Mediations shall be held at the law office of the Debtors' counsel, the Mediator's office, or at another location agreed upon by the Mediator. Local Bankruptcy Rule 9019-1 and the Court's General Order M-452 concerning mediation procedures shall govern the mediations, except as otherwise set forth herein. General Order M-452 is available on the Court's website at: <http://www.nysb.uscourts.gov/>.
28. All proceedings and writing incident to the mediation will be considered privileged and confidential and subject to all the protections of Federal Rule of Evidence 408, and shall not be reported or admitted in evidence for any reason except to prove that a party failed to comply with the Mediation Process set forth in these Procedures.
29. The Mediators shall be required to file disclosures prior to the scheduling of mediation.
30. The parties in each Remaining Avoidance Action will participate in the mediation, as scheduled and presided over by the chosen Mediator, in good faith and with a view toward reaching a consensual resolution. The mediation shall be attended in person by a representative of the Defendant with full settlement authority (and if a Defendant is represented by counsel, their counsel) as well as counsel for the Debtor (who must have settlement authority from the Debtors, or a Debtor representative shall appear as well), except that: (1) a Mediator, in his or her discretion, may allow a party representative to appear telephonically or, (2) the parties may consent to a party representative appearing telephonically. **Any such request must be made prior to ten (10) business days before the scheduled**

**mediation date, or Defendant is deemed to waive such request.** Should a party representative appear by telephone, counsel appearing in person for that party shall have full settlement authority. To the extent a Mediator grants a party's request to appear telephonically, the requesting party is responsible for arranging for and paying any fees associated with teleconference services. Should a dispute arise regarding a Mediator's decision on whether to allow a party representative to appear telephonically rather than in person, a party may apply to the Court, in advance of the mediation, by sending a letter outlining said issues to chambers. The Court may then schedule a conference call to address the issues.

31. The Mediator will preside over the mediation with full authority to determine the nature and order of the parties' presentations, and the rules of evidence will not apply. Each Mediator may implement additional procedures which are reasonable and practical under the circumstances.
32. The Mediator, in the Mediation Notice (by language provided to Plaintiff by the Mediator) or in a separate notice that need not be filed, may require the parties to provide to the Mediator any relevant papers and exhibits, a statement of position, and a settlement proposal. In the Mediator's discretion, upon notice (which need not be filed), the Mediator may adjourn a mediation or move a mediation to a different location within the same jurisdiction. The Mediator may also continue a mediation that has been commenced if the Mediator determines that a continuation is in the best interest of the parties.
33. The parties must participate in the scheduling of mediation and mediate in good faith. If the mediator feels that a party to the mediation is not attempting to schedule or resolve the mediation in good faith, the mediator may file a report with the Court. The Court may, without need for further motion by any party, schedule a hearing. If the Court determines that the party is not cooperating in good faith with the mediation procedures, the Court may consider the imposition of sanctions. Additionally, if either party to the mediation is not attempting to schedule or resolve the mediation in good faith, the opposite party may file a motion for sanctions with the Court. Litigation with respect to the issuance of sanctions shall not delay the commencement of the mediation. Sanctions may include, but are not limited to, attorney's fees and costs and fees of the Mediator.
34. Upon notice and a hearing, a party's failure to appear at the mediation or otherwise comply with the Procedures Order with respect to mediation, may result in a default judgment or dismissal being obtained against the party failing to comply with the mediation provisions. The Mediator shall promptly file with the Court a notice when any party fails to comply with the mediation provisions set forth in the Procedures Order.
35. The fees and costs of the Mediator (the "**Mediation Fee**") shall be paid equally by the parties on a fixed-fee schedule as set forth below. The parties shall pay one-fourth of the Mediation Fee as least seven (7) calendar days prior to the commencement of mediation (the "**Initial Mediation Fee**"). The remaining fee will

be paid by the parties on the date of mediation, should the mediation go forward. If the parties settle prior to the mediation, the Mediator must be informed of the settlement prior to seven calendar days before the scheduled mediation or the Initial Mediation Fee is nonrefundable:

- i. cases with a claim amount (as reflected in the complaint) of less than \$100,000: \$3,000.00 per case;
  - ii. cases with a claim amount (as reflected in the complaint) equal to or greater than \$100,000 and less than \$250,000: \$4,000 per case; and
  - iii. cases with a claim amount (as reflected in the complaint) equal to or greater than \$250,000 and less than \$1,000,000: \$5,000 per case.
  - iv. cases with a claim amount (as reflected in the complaint) equal to or greater than \$1,000,000 and less than \$5,000,000: \$6,000.00 per case;
  - v. cases with a claim amount (as reflected in the complaint) equal to or greater than \$5,000,000: \$7,000 per case.
36. Mediation that is continued for more than one calendar day will be continued on an hourly fee basis to be paid equally by the parties.
37. Defendants that have additional Avoidance Actions commenced against their affiliates in the Debtors' bankruptcy cases may mediate all related Avoidance Actions at one time and, in such event, the Mediation Fee shall be based upon the combined total claim amount for all related Avoidance Actions.
38. Mediation statements shall be delivered to the Mediator 7 calendar days prior to the mediation. Unless otherwise directed by the Mediator, the mediation statements shall be shared with the opposing party, except that any party that has confidential information may share such confidential information solely with the Mediator. The Mediator will direct the parties as to further instructions regarding the mediation statements.
39. Without the prior consent of both parties, no Mediator shall mediate a case in which he/she or his/her law firm represents a party. If a Mediator's law firm represents any Defendant in the Avoidance Actions, then: (a) the Mediator shall not personally participate in the representation of that Defendant; (b) the law firm shall notate the file to indicate that the Mediator shall have no access to it; and (c) any discussions concerning the particular Avoidance Action by employees of the law firm shall exclude the Mediator. The Mediator's participation in mediation pursuant to the Procedures Order shall not create a conflict of interest with respect to the representation of such Defendants by the Mediator's law firm.
40. No Mediator shall be called as a witness by any party except as set forth in this paragraph. No party shall attempt to compel the testimony of, or compel the production of documents from, the Mediators or the agents, partners or employees of their respective law firms. Neither the Mediators nor their respective agents,

partners, law firms or employees (a) are necessary parties in any proceeding relating to the mediation or the subject matter of the mediation, nor (b) shall be liable to any party for any act or omission in connection with any mediation conducted under the Procedures Order. Any documents provided to the Mediator by the parties shall be destroyed 30 days after the filing of the Mediator's Report unless the Mediator is otherwise ordered by the Court. However, subject to court order, a Mediator may be called as witness by any party and may be compelled to testify on a limited basis in proceedings where it is alleged that a party failed to comply with mediation procedures as required in the foregoing paragraphs of this Procedures Order.

41. All proceedings and writings incidental to the mediation shall be privileged and confidential, and shall not be reported or placed in evidence.

**G. Miscellaneous**

42. If, after dispositive motions have been filed in an Avoidance Action and a decision on the same does not resolve the matter, that Avoidance Action shall be scheduled for a trial date that is convenient to the Court's calendar. Parties should be ready to proceed to trial within three weeks after such decision is rendered. Before seeking such trial date, the parties shall have met and conferred and agreed on their best estimate of the length of the trial, taking into account the procedures set forth below. When seeking such date, they shall inform the Court's Courtroom Deputy of such estimate. Normally, the Court expects that Avoidance Action trials will not take longer than one day. If the parties believe otherwise, they should arrange a pre-trial conference before scheduling the trial.
43. On or before two weeks before the trial, the parties shall have (a) met and conferred and used their best efforts to agree on a joint agreed exhibit book and shall have identified any exhibits whose admissibility is not agreed and (b) exchanged proposed witness lists.
44. On or before one week before the scheduled trial date, the parties shall (a) submit to chambers (in hard copy) declarations under penalty of perjury or affidavits of their direct witnesses, who shall be present at trial for cross-examination and redirect, or have previously sought (by email to the Court's chambers, with a copy to counsel for the opposing party) the Court's permission to examine direct witnesses at trial and (b) submit the joint exhibit book referred to in paragraph 44.
45. The Local Bankruptcy Rules shall apply, except that this Procedures Order shall control with respect to the Avoidance Actions to the extent of any conflict with the Local Rules or other applicable rules and orders of the Court.
46. The deadlines and/or provisions contained in this Procedures Order may be extended and/or modified by the Court upon written motion and for good cause shown or consent of the parties pursuant to stipulation, which stipulation needs to be filed with (with a copy emailed to the Court's chambers" and "So Ordered" the Court.

47. FAILURE TO COMPLY WITH THESE PROCEDURES MAY RESULT IN DISMISSAL OR OTHER SANCTION. If delay or other act or omission of your adversary may result in a sanction against you, it is incumbent on you to promptly bring this matter to the Court for relief.

**Exhibit 3**

**MEDIATOR LIST**

1. David Banker  
Montgomery McCracken Walker & Rhoads LLP
2. Christopher Battaglia  
Halperin Battaglia Benzija, LLP
3. Mark Felger  
Cozen O'Connor P.C.
4. Eric Haber  
Cooley LLP
5. Jorian Rose  
BakerHostetler
6. Sean Southard  
Klestadt Winters Jureller Southard & Stevens, LLP